Defense Supply Center Richmond

DSCR PRIVATIZATION CONTRACTS

(For DLA Customers)

April 2008

DLA's Aviation Supply & Demand Chain Manager

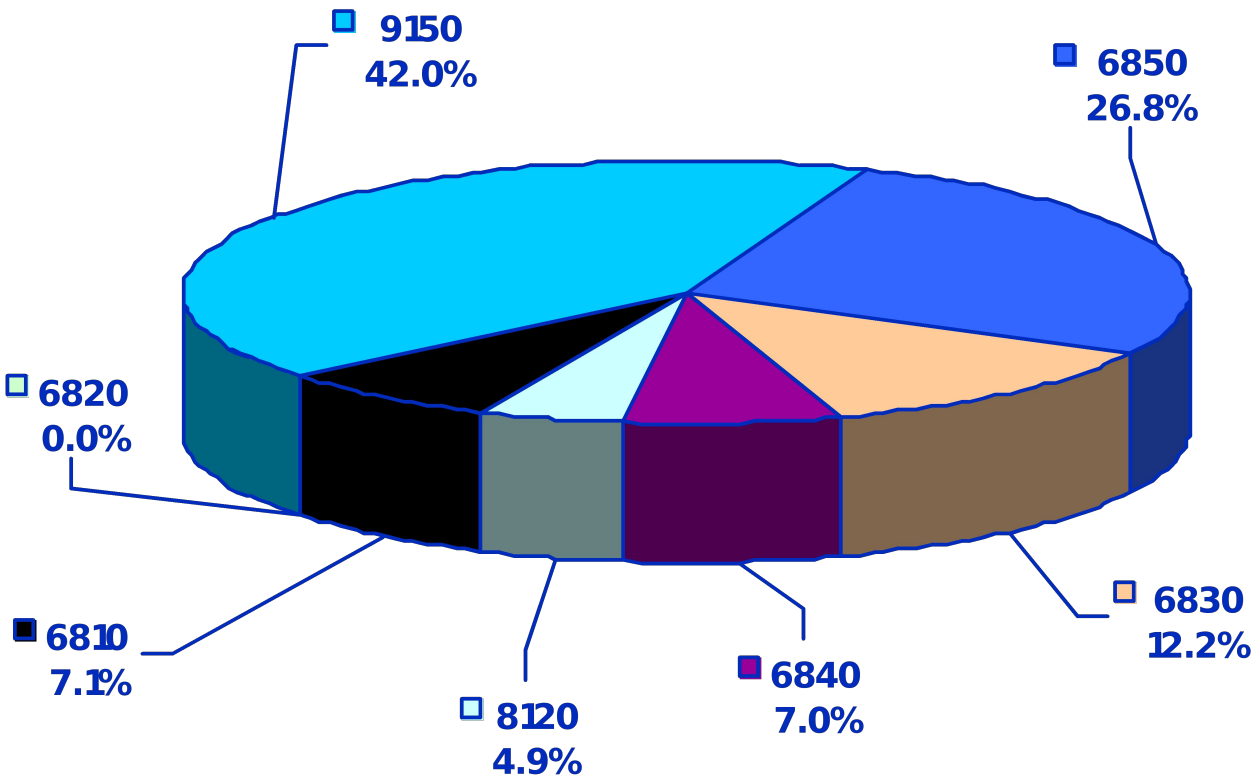
BACKGROUND

DLA's Aviation Supply & Demand Chain Manager

- 2005 BRAC Recommendation # 175 (11/9/05)
- Privatize functions of supply, storage, and distribution of Chemicals/Petroleum-Oils-Lubricants (Chem/POLs) and Gases/Cylinders (Gas/Cyl)
- Achieves economies of scale and efficiencies
- Centralizes management
- Retain only the supply contracting function
- Leverage commercial industry
- Goals: improve performance; increase customer satisfaction

Market Share by FSC Percent of $ Demand Jan – Dec 07

DLA's Aviation Supply & Demand Chain Manager



Affects 3,357 Active NSNs

FSC

9150 – Packaged Petroleum
6850 – Misc. Chem. Specialties
6830 – Compressed Gasses
6840 – Pest Control Agents
8120 – Gas Cylinders
6810 – Chemicals
6820 – Dyes

42% of Demand Value is Packaged Petroleum

Source: EIS Portal, F67 Basic Tables

Compressed Cylinders and Gases - Snapshot

DLA's Aviation Supply & Demand Chain Manager

- ***Contract #: SPM4AR07D0100***
- **Contractor: Haas TCM (*SB*)**
- **Duration: 5 yr base w one 5 yr option**
- **Contract Value: $2B**
- **NSNs: 272 active, 488 inactive (FSCs 6830 & 8120)**
- **Performance Based Indefinite Quantity Contract**

POLs & Chems - Snapshot

DLA's Aviation Supply & Demand Chain Manager

- **Contract #: SPM4AR07D0001**
- **Contractor: SAIC *(LB)***
- **Duration: 5 yr base w one 5 yr option**
- **Contract Value: $6B**
- **NSNs: 3,085 Active, 1475 inactive**

  (FSCs: 6810, 6820, 6840, 6850, and 9150)
- **Performance Based Indefinite Quantity Contract**

How is the Customer Affected?

DLA's Aviation Supply & Demand Chain Manager

- Ordering:
  - Customers use EMALL, milsvc systems for submitting requisitions
  - ***No offline orders***
  - **No Bearer pick-ups *except* Gases/Cyl at DDNV**
  - **No stock on-hand visibility** (similar to Customer Direct/DVD)
- Delivery: priorities 01-08: 24-hr turn-around from vendor receipt of order

  priorities 09-15: 3 days from vendor receipt of order
- Tracking:
  - EMALL
  - DSS MRO Tracker (OCONUS shipments only)
  - ELLIS (shipment data for these contracts in development)
  - DLA Customer Interaction Center

How is the Customer Affected? (continued)

- Product Quality Discrepancy Report (PQDR) and Supply Discrepancy Report (SDR) process remains the same
- Customer Returns (FTE transactions):
  - Chem/POLs : No Customer Returns. Customer disposes or reutilizes.
  - Gas/Cyl: Turn in cylinder upon delivery or contact DLA for disposition. (Exchange NSNs eliminated. Full cylinder only.)
- Use self-help tools or call the DLA Customer Interaction Center for assistance.

Websites

General BRAC Info:
https://today.dla.mil/BRAC/default.asp

EMALL: http://www.emall.dla.mil

ELLIS Website:
http://ellis.dscr.dla.mil/help.asp

DLA Customer Interaction Center:
http://www.dlis.dla.mil/cust.asp

DSCR Website:
http://www.dscr.dla.mil/UserWeb/DSCRLD/ProdNwsUpdts/ProdNws Updts.htm